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STATE FOR EAP, PM, AND EAP/MTS USPACOM ALSO FOR FPA HUSO AND J5 SECDEF/OSD/ISA/AP (TOOLAN/REDMON) JOINT STAFF/J5 (WILKES/ROBINSON/CLEMMONS)

E.O. 12958: DECL: 05/24/2017

TAGS: MARR MASS MOPS MCAP PREL AU JA SN SW RP

SUBJECT: PREPARING FOR THE SHANGRI-LA DIALOGUE; PHILIPPINE

DEFENSE SECRETARY PRAISES U.S. COUNTERTERRORISM/DEFENSE

REFORM ASSISTANCE

Classified By: (U) Ambassador Kristie A. Kenney for reasons 1.4(b) and (d)

- 11. (C) SUMMARY. Defense Secretary Ebdane views U.S. counterterrorism cooperation on Jolo as a "real success story," and is appreciative of our assistance in the Philippine Defense Reform program. He predicted President Arroyo would sign a Status of Forces Agreement with Australia during her upcoming visit to Canberra at the end of May. Ebdane is looking forward to his meetings with Secretary Gates, General Pace, and Admiral Keating at the Shangri-La Dialogue in Singapore. These meetings represent an opportunity to cite Philippine CT successes, especially on Jolo, while urging a sustained effort to eliminate trans-national terrorism in the Philippines. END SUMMARY.
- 12. (C) The Ambassador, JUSMAG Chief, and Deputy Pol/C joined visiting Deputy Undersecretary of Defense for Asian and Pacific Affairs Richard Lawless for his May 23 meetings with Secretary of National Defense Ebdane and Ebdane's senior

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staff. Mr. Lawless also met separately with Undersecretary of Foreign Affairs for Special Concerns Rafael Seguis.

GRATITUDE FOR U.S. HELP

¶3. (C) Secretary Ebdane expressed gratitude for U.S. military and counterterrorism assistance. "What we've done together on Basilan and Jolo is a real success story," he said. He noted that U.S. Subject Matter Experts had also played a key role in advancing defense reform, and that recently delivered UH-1H helicopters would add badly needed mobility to the Philippine military. Deputy Undersecretary Lawless praised the Armed Forces of the Philippines' ongoing counterterrorism campaign on Jolo and the achievements of the Philippine Defense Reform program, which is now entering its fourth year.

SOFA WITH AUSTRALIA

 $\P4$. (C) Ebdane said he would join President Arroyo on her May 30-31 visit to Canberra, during which she would sign a Status

of Forces Agreement (SOFA) with the Australian government. He noted that the Philippines had adapted much of the agreement with Australia from its experience with the U.S. Visiting Forces Agreement. Mr. Lawless, pointing to Australia's recently concluded agreement with Japan, observed that Canberra appeared ready to increase the depth and breadth of its ties in the region. Ambassador added that the new SOFA represented a great opportunity. Ebdane agreed, noting that during his tenure as Chief of the Philippine National Police, he had initiated contacts with the Australian Federal Police. The Australians had subsequently been of great help to Philippine counterterrorism efforts, including providing assistance to the Abu Solaiman forensic investigation, he commented.

GOOD RELATIONS WITH INCOMING CONGRESS?

15. (C) Ebdane appeared relieved that the election season was over, commenting that it was "high time" the Philippines automated its elections. He predicted good relations with incoming Members of Congress, most of whom he considered "friends" from his previous tenure as Secretary of Public Works. "I can talk straight with them," he said, adding that he hoped to present a defense development agenda that would upgrade the ability of the Corps of Engineers to conduct civil-military operations.

PRAISE, TOO, FROM DFA ON CT COOPERATION

16. (C) Undersecretary of Foreign Affairs Seguis also thanked Mr. Lawless for U.S. counterterrorism assistance and help with the Philippine Defense Reform program. "We sincerely appreciate your support against terrorism," Seguis said, highlighting the success of the recent Balikatan

exercise. "I've seen with my own eyes the schools and clinics U.S. troops have built," he noted, adding that the civil-military operations on the island of Jolo had generated enormous amounts of good will for the United States. "Our Muslim brothers really appreciate your help," he stated. He observed that Ambassador Kenney was "warmly welcomed wherever she goes."

LAWLESS: VFA WORKING; LET'S NOT MESS WITH SUCCESS

17. (C) Seguis underscored that the Philippine government strongly believed in the benefits of the Visiting Forces Agreement (VFA) and was committed to it. He claimed the Department of Foreign Affairs (DFA) had stood against Philippine public opinion to defend the agreement and its provisions for U.S. custody during the trial of Lance Corporal Daniel J. Smith and three other U.S. Marines on rape charges. He suggested that, now that the trial in the lower court was over, perhaps certain paragraphs could be "revisited." "There are some defects we would like to address," he said. Mr. Lawless noted Seguis' points, but stressed that the agreement was working, so there was absolutely no need to change or renegotiate it. Seguis agreed that the VFA was working, and admitted that a lot of the "noise" surrounding the Smith case had died down.

DIFFICULT ISSUES SURROUND
POTENTIAL PEACE ACCORD WITH MUSLIM REBELS

18. (C) Seguis noted that, although the DFA is not directly involved in the peace negotiations with the Moro Islamic Liberation Front (which the Office of the Presidential Advisor on the Peace Process handles), DFA experts provide research, analysis, and other technical assistance to the negotiators. He commented that there were still a lot of "spoilers" who sought to undermine the peace process and that defining the territory of the future Muslim autonomous entity would be a difficult issue, as would the questions of

COMMENT

- 19. (C) Armed Forces Chief of Staff General Hermogenes Esperon will join Secretary Ebdane in Singapore for the Shangri-La Dialogue. This will be an opportunity for senior U.S. officials to cite real Philippine CT successes, while urging sustained efforts to eliminate trans-national terrorism in the Philippines.
- 111. (U) Deputy Undersecretary Lawless did not have the opportunity to review this telegram before his departure.

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